

**BY ORDER OF THE SECRETARY OF THE
AIR FORCE**

AIR FORCE INSTRUCTION 63-504

1 APRIL 1996

Acquisition

**QUALITY ASSURANCE EVALUATOR
PROGRAM**



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This instruction implements AAFP 63-5, *Quality Assurance*. Personnel engaged in contract surveillance must follow this instruction to ensure that contracted services provided to the Air Force meet contractual requirements.

Chapter 1

QUALITY ASSURANCE EVALUATOR PROCESS

1.1. Terms and Definitions.

1.1.1. **The Senior Procurement Executive** is the individual responsible for the overall management of the Air Force acquisition and contracting system.

1.1.2. **The Installation Commander** is the owner of all the Air Force contracted mission services and the QAE Program.

1.1.3. **The Contracting Officer** is an individual specifically appointed by the Secretary of the Air Force, or his or her designee, with the authority to enter into, administer, or terminate contracts and execute related determinations and findings within the limits of the authority delegated. Only a contracting officer has the authority to contractually bind the Government on behalf of the Air Force.

1.1.4. **The Contract Administrator** is a qualified contracting individual that the Contracting Officer appoints to administer a particular contract.

1.1.5. **The Functional Area Chief (FAC)** is a functional director or commander of any functional area with government program management responsibility for contracted services which provide some or all of the functional mission. For example, for Civil Engineering, the Squadron Commander is the functional area chief. The functional director or commander may delegate his or her FAC duties to managers at Flight or Element levels, if necessary. However, the functional director or commander is still responsible for all functional contracted services. Therefore, if FAC duties are delegated, the functional director or commander must ensure he or she has adequate oversight for these contracted services.

1.1.6. **The Quality Assurance Evaluator Program Coordinator (QAEPC)** is an individual, normally from the contracting activity, selected to coordinate the Quality Assurance Evaluator Program. The QAEPC is a coordinator, as well as a trainer, for the FACs and QAEs.

1.1.7. **The QAE** is a qualified individual selected by the FAC to monitor, evaluate, and accept contract services. QAEs are also referred to as Quality Assurance Representatives (QARs), Contracting Officer's Representatives (CORs), Contracting Officer's Technical Representatives (COTRs), etc.

1.2. Overview.

1.2.1. The Air Force relies on QAEs to ensure contractors provide the services required under the contract. These services are essential to daily operations and the warfighting mission. This instruction establishes procedures to ensure the Air Force QAE Program is effective and efficient.

1.2.2. The QAE Program must be responsive to mission needs and protect the interests of the Government.

1.2.3. The QAE Program must foster an environment where Contracting Officers, Contract Administrators, FACs, QAEPCs, QAEs, and their customers are a team dedicated to meeting mission requirements. The program includes authorizing and assigning appropriate personnel; using career field identifiers; ensuring appropriate qualifications for selection; and implementing effective training. QAEs and the contracting activity must follow sound business practices in making decisions to sup-

port the quality assurance process, and exercise the highest standards of ethical conduct and fiscal responsibility. Government QAEs must inspire public trust in the Air Force acquisition process.

1.2.4. The Air Force must establish a fair and equitable QAE Program. It must ensure contractors perform according to the contract terms and conditions. This program must provide management visibility of the overall service quality.

1.2.5. Air Force activities must employ qualified QAEPs and QAEs. The Air Force must implement a mandatory formal QAE Training Program as specified in **Chapter 4**.

1.2.6. Air Force contracting activities, FACs, and QAEs will ensure performance work statements (PWS) reflect only what is needed to meet the minimum mission requirements. They will also ensure PWSs will not unnecessarily restrict competition or innovation. PWSs will be performance-based; they will specify what needs to be done instead of how to do it, as much as practicable.

1.3. Requirements To Be Met. This instruction applies to all Air Force activities acquiring services. It implements the following policies on quality assurance of Air Force service contracts:

- AFD 63-5, *Quality Assurance*.
- AFD 64-1, *Contracting*.
- AFMAN 64-108, *Service Contracts*.

1.4. Applicability and Exemptions to the Use of This Instruction. This instruction applies to Air Force service contracts covered under AFMAN 64-108, *Service Contracts*. Exemptions granted under AFMAN 64-108 apply to this instruction.

1.5. Assigned Responsibilities. All assigned responsibilities stated in AFMAN 64-108 apply to this instruction.

1.5.1. MAJCOMs will develop and publish additional guidance, as needed, to define and allocate specific internal responsibility for ensuring compliance with this instruction. Within 30 days after issuing any supplemental guidance, MAJCOMs must provide a copy of the guidance to SAF/AQCO.

1.5.2. Each MAJCOM/Field Operating Agency (FOA)/Direct Reporting Unit's (DRU) contracting activity must also establish a central management focal point to:

- Serve as the command office of primary responsibility (OPR) for monitoring compliance with the provisions of this instruction.
- Systematically review the findings of all service contract audits, inspections, contract management reviews, MAJCOM solicitation reviews, etc. to assess the degree of compliance with quality assurance requirements.
- Perform analyses of quality information (i.e., deficiency data, audit reports, studies), as necessary, to institute appropriate corrective and preventive actions, and to improve procedures.
- Ensure cross-feed of QAE information among all management levels and to other commands, agencies, the Air Staff, and SAF/AQCO.
- Assess the training provided by QAEPs and Contract Administrators to ensure the training adequately prepares the QAEs to meet the requirements of their assigned tasks.

- Advise SAF/AQCO of actual or potentially significant QAE problems that may require SAF/AQCO attention or coordination to resolve.

Chapter 2

QUALITY ASSURANCE EVALUATOR MANNING

2.1. Quality Assurance Evaluator Manning.

2.1.1. The Installation Commander is responsible for ensuring adequate manning of QAE positions. Funding for all full-time QAE requirements will be the responsibility of the functional area. It is recommended that QAE positions are funded and staffed at the same percentage as other assigned functional areas. For example, if 92% of all positions are funded and staffed at an installation, then at least 92% of all their QAE positions should be filled.

2.1.2. FACs will assign at least one primary and one alternate QAE for each service contract in their area. Both primary and alternate QAEs may be designated as full- or part-time and can be assigned to more than one contract.

2.1.3. The following table is a generic guide to determine the appropriate number of primary QAEs to be assigned to contracts. It is based solely on total service contract value and is provided for advisory purposes only. The table was developed by HQ USAF/PE after conducting a detailed analysis. This table does not apply to service contracts resulting from OMB Circular A-76 cost comparisons. Contract administration factors contained in AFP 26-12, *Guidelines for Implementing the Air Force Commercial Activities Program*, must be used for cost comparisons. This table is also not intended to invalidate QAEs earned by Air Force Manpower Standards (AFMS). Total service contract value should be computed using a base and four option years, regardless of the actual number of option years solicited. The actual number of QAEs may be adjusted to reflect other relevant factors, such as the technical requirements, the number of contracts an individual QAE surveys, along with the size or value of the contract, and other functional area considerations. Also, actual number of QAEs should be based upon the Performance Requirement Summary (PRS) and the Quality Assurance Surveillance Plan (QASP). For example, the number of QAEs for a grounds maintenance contract would be less than a full food service contract because there is a larger percentage of surveillance performed by customer complaint for grounds maintenance. Full food service contracts require mostly random sample and 100% inspection (with many more inspection items) warranting a significant increase in the number of QAEs to properly manage the contract. Other variances might include the population or size of the base. **NOTE:** Full food service contracts will use Air Force Manpower Standard 45D1, in lieu of the table below.

Table 2.1. QAE Manning.

TOTAL CONTRACT VALUE	QAE MANNING FACTOR
\$100,000 to \$2,000,000	$.25 + (.05 \times (\text{Contract Value}/100,000))$
\$2,000,001 to \$5,000,000	$1 + (.025 \times (\text{Contract Value}/100,000))$
\$5,000,001 to \$10,000,000	$2 + (.015 \times (\text{Contract Value}/100,000))$
\$10,000,001 to \$15,000,000	$3 + (.008 \times (\text{Contract Value}/100,000))$
Above \$15,000,000	Workload estimates are based on the technical requirements of the Quality Assurance Surveillance Plan.

2.1.3.1. Once the total requirement is determined for the contracted functional area, the FAC will determine the appropriate mix of full- and part-time QAEs needed. Contracts with a dollar value less than \$1,500,000 normally do not require a full-time primary QAE, and are usually managed by a part-time QAE. Using full-time primary QAEs for contracts smaller than \$1,500,000 should be justified by technical requirements or other extenuating circumstances at the time the QAE positions are originally identified.

2.1.4. As a guide, full-time QAEs may be used as primary QAEs on multiple contracts when the total value of the service contracts does not exceed \$1,500,000. The FAC should consider the type and location of the services being performed under the contracts when assigning a QAE contractual responsibilities when the total value of the multiple contracts exceeds \$1,500,000.

2.1.5. Multiple QAEs may be assigned to contracts on both a full- and part-time basis, whenever appropriate.

2.1.6. Additional Technical Requirements. Some technically-oriented contracts may have requirements exceeding the full-time equivalents determined by the above table. If additional QAEs are determined to be required for technical reasons, this should be fully justified by the FAC to their servicing manpower office.

2.1.7. When determining QAE assignments, the FAC has to consider many factors such as the number of QAEs allocated to the contract, the technical expertise requirements, the number of contracts already assigned individual QAEs, and the size or value of the contract.

2.1.8. Positions filled by military personnel will be designated with the Air Force Specialty Code (AFSC) most closely associated with the function being monitored. Where multiple functions are being monitored by one individual, the position will carry the AFSC most associated with the primary function.

2.1.9. Civilian positions may be classified in the Quality Assurance series, GS-1910, or in a specialized occupational series, depending on the duties assigned and the technical qualifications required to perform the work. In addition, the assignment of QAE duties to an existing position may have an impact on the classification of the position. Supervisors and managers should work with their servicing Civilian Personnel Flight (CPF) to identify the particular requirements of the position being filled, as well as the potential classification impact.

2.2. Manpower Authorization Documentation.

2.2.1. QAE authorizations must be documented appropriately on the Unit Manpower Document (UMD). The coding will be based on the kind of QAE (military or civilian), and whether the position will be full- or part-time. Alternate QAEs will not be coded on the UMD. Proper coding of QAE manning requirements on the UMD is required to ensure sufficient numbers of QAEs with the appropriate skill levels are identified for contract monitoring.

2.2.1.1. QAE positions may be designated as either military or civilian. MAJCOMs and Installation Commanders should consider both the extent and nature of the duties when determining whether QAE positions will be filled with military or civilian personnel. Normally, full-time QAE positions should be filled with civilians to facilitate continuous contract surveillance. War-time surveillance requirements, remote assignments, and unusual circumstances may require that some full-time QAE positions be designated for military personnel. For continuity, recommend the alternate QAE be civilian when the primary QAE is military.

2.2.1.2. Military QAE authorizations (full- and part-time) will be designated with Special Experience Identifiers (SEI) on the UMD to ensure properly skilled personnel are identified and assigned. FACs must consider the impact of consecutive QAE assignments on military members. Military members should not be given consecutive QAE assignments if the individual's technical skills or career progression will be negatively impacted.

2.2.2. Full- and part-time QAEs will be coded on the UMD with their primary duty Functional Account Code.

2.2.3. Primary and Alternate QAEs.

2.2.3.1. All full-time primary QAE authorizations will be designated with a "qe" in the Air Force remarks column of the UMD. Part-time primary QAE authorizations will be designated with a "qp" in the Air Force remarks column of the UMD. This will allow tracking of all primary QAE resources, both military and civilian.

2.2.3.2. Alternate QAEs must be identified for each contract. Alternates may be personnel who are already QAEs on other contracts, or personnel with no other QAE responsibilities. In no instance will additional resources be allocated for alternate QAEs, as they are identified only to act in the absence of the primary QAE. Alternate QAEs are not to be coded as such on the UMD.

2.3. Contracting Out QAE Responsibilities. QAE responsibilities are normally considered inherently governmental functions. HQ USAF/PEM is responsible for determining which functions are inherently governmental. Before contracting out QAE positions, approval must be obtained from HQ USAF/PEM. Any existing QAE functions that have been contracted out must be approved by HQ USAF/PEM or returned to in-house performance upon expiration of the present contract performance period. When these functions are contracted out, the government (not a contracted QAE) still must accomplish final acceptance of the services being monitored.

2.4. Quality Assurance Evaluator Program Coordinator Manning. The QAEPC authorization at each installation must be filled with a qualified individual. Recommend this position be established as a civilian authorization unless wartime surveillance requirements, remote assignments, or unusual circumstance require the assignment of a military member. Recommend this position be established in the contracting activity. Also recommend the appointment of an alternate QAEPC. The alternate QAEPC responsibilities are assigned as an additional duty for continuity purposes only and should not be used for determination of unit manpower requirements.

Chapter 3

QUALITY ASSURANCE EVALUATOR QUALIFICATIONS/SELECTION

3.1. Quality Assurance Evaluator Qualifications.

3.1.1. MAJCOMs, Commanders, FACs and QAEPCs must ensure that QAE positions are filled with individuals who are capable of providing sufficient technical and managerial oversight to assigned contracts. QAEs must have technical knowledge and experience in the area being contracted out that is sufficient to permit them to observe contractor performance and to determine whether the service does or does not meet the contract standards. Military QAEs should have sufficient retainability to perform contract surveillance.

3.1.2. All military and civilian selectees must have the specialized knowledge, skills, and abilities required to successfully perform QAE work, and must complete the required QAE training outlined in **Chapter 4**chapter 4. For all QAE assignments, military and civilian, FACs must ensure that both full- and part-time selectees are scheduled for the appropriate QAE training course(s) NLT 14 calendar days following assignment to the position.

3.1.2.1. Upon completion of the Phase I QAE training, the FAC will ensure the military QAE's personnel records are updated to reflect the appropriate SEI. The SEI will remain on the member's records for a period of four years after the QAE duties have been completed.

3.1.2.2. For civilian personnel, standard procedures for submitting and processing the appropriate training documents must be followed in order to record the training information appropriately in the individual's Defense Civilian Personnel Data System (DCPDS) record.

3.1.3. All full-time military QAE positions will have a tour length of at least 24 months for CONUS and accompanied overseas tours for continuity purposes. For unaccompanied short-term overseas tours, military members should serve as QAEs for the entire tour. MAJCOMs may designate shorter or longer tour lengths at their discretion.

3.2. Quality Assurance Evaluator Selection.

3.2.1. QAEs should be assigned as early in the acquisition cycle as possible. This will enable them to actively participate in the requirements definition process and the administration associated with contracting activities prior to contract award. Ideally, the QAE should assist in preparing the PWS and the QASP, as well as performing surveillance. In most cases, QAE assignment must be made no later than 90 days before contract start. After contract start, QAE positions must be filled timely when replacing departing QAEs to ensure sufficient contract surveillance.

3.2.2. The Air Force Personnel Center (AFPC) and base-level CPFs and Military Personnel Flights (MPFs) must work with FACs to make every attempt to ensure that QAE positions are filled with individuals having an in-depth knowledge of the area being inspected.

3.2.3. Civilian positions are to be staffed according to the classification of the job, following established civilian personnel policies and guidelines. The specialized experience required of the selectee will depend on the nature of the work and the corresponding knowledge, skills, and abilities required to successfully perform that work.

3.2.4. To fill full-time civilian QAE positions, the organization must submit a SF 52, Request for Personnel Action, through appropriate channels to the servicing CPF. The applicable position description or core document should be attached to the SF 52. If the supervisor wishes to request the assignment of a civilian already assigned to the organization to the vacant position, then that person's name and personnel information may be recommended on the SF 52. The CPF must classify the position description/core document, ensure that all staffing assignment priorities are met, and follow standard staffing policies and procedures to fill the position.

3.2.5. To assign part-time QAE responsibilities to a civilian already working in the organization, the supervisor must update the individual's position description/core document and forward it along with the SF 52 to the CPF for processing. Once the personnel action is certified by the CPF, the supervisor must modify the employee's performance plan (when a core document is not used). The additional responsibilities and performance requirements must then be discussed with the employee.

3.3. Notification of Quality Assurance Evaluator Selection.

3.3.1. When an individual reports for duty, or when QAE responsibilities are formally assigned to an individual already in the organization, the FAC will notify the local contracting office and MAJCOM functional OPR by letter of the individual's name and applicable contract data.

3.3.2. Notification of QAE selection must be in writing and must contain, at a minimum:

- The name and grade of the QAE.
- The qualifications and (military) retainability of the individual.
- The training provided, or to be provided, to the individual.
- Justification for selection of an individual who does not meet the qualifications of paragraphs **3.1.1.** and **3.1.2.**
- A statement that the selectee's records have been reviewed and that his or her qualifications are suitable for QAE duties.
- A statement that the selectee does not have, and will not be given, other duties that will interfere with the QAE duties, and that QAE duties are the primary critical element of their duty assignment.

3.3.3. FACs must notify QAEPCs (in writing, within 30 calendar days) whenever a QAE vacates the position (reassigned, removed for unsatisfactory performance, retired, resigned, etc.).

Chapter 4

QUALITY ASSURANCE EVALUATOR TRAINING PROGRAM

4.1. Overview.

4.1.1. Acquisition officials and supervisors of quality assurance personnel must ensure personnel performing quality assurance functions meet applicable training requirements, as stated below.

4.1.2. Each MAJCOM/FOA/DRU activity should tailor its QAE Training Program to meet any additional higher headquarters' requirements and conditions, ensuring the integrity of the QAE Training Program is maintained according to paragraphs 4.2 through 4.4 below.

4.1.3. QAEPCs must maintain copies of FAC and QAE training records in a central location, with training completion dates annotated in each contract file to provide a sufficient audit trail. Training records must designate which phases of training have been successfully completed. QAEPCs must maintain a master FAC and QAE roster which contains training information on personnel currently performing FAC and QAE duties.

4.2. Functional Area Chief Training. This training is designed to provide broad knowledge of surveillance procedures and how to manage QAEs. This training is conducted by mobile AETC instructors or by QAEPCs using the AETC training materials. FACs must complete this training in order to more effectively perform their duties. The FAC may assume QAE duties when circumstances warrant, if he or she has completed the QAE Course.

4.3. Quality Assurance Evaluator Training.

4.3.1. QAE Training is a two-phased program designed to provide in-depth knowledge of surveillance procedures and contract requirements. Phase I training is conducted by mobile AETC instructors or by QAEPCs using AETC training materials. The applicable Contract Administrator conducts Phase II training.

4.3.1.1. Phase I: QAEs must complete this training before performing surveillance duties on contracts in which AFMAN 64-108 surveillance procedures apply.

4.3.1.2. Phase II: QAEs must complete this training before the contract start date for new contracts and before performing surveillance duties on existing contracts. This training must be provided by the Contract Administrator for each contract to which a QAE is assigned. QAEPCs instruct Contract Administrators on how to teach Phase II training, as well as how to write and use Contract Administrator plans. Contract Administrators must complete this training before teaching QAEs. At a minimum, Phase II training should include:

- A detailed review and discussion of the PWS, to include safety requirements.
- A detailed review and discussion of the contract, to include each section.
- An awareness of areas in the contract susceptible to fraud, waste, and abuse.
- The manner in which to properly certify acceptance of satisfactory services.
- Maintenance of and submission requirements for all applicable QAE documentation.

4.3.1.3. QAEPCs must conduct formal refresher training annually for QAEs. At a minimum, refresher training should include:

- Policy and procedural changes received during the previous year regarding the QAE Program.
- A discussion on trends that denote problems with QAE surveillance and documentation procedures during the previous year.
- Other topics suggested by the Contracting Officer, Contract Administrator, FAC, QAEPC, and/or QAE.

4.3.1.4. QAEPCs must conduct informal refresher training on a case-by-case basis throughout the year for all FACs, QAEs, and Contract Administrators. Informal refresher training should be recognized as a continuous on-the-job process.

4.3.1.5. Air Force or MAJCOM functional OPRs may develop additional training required to perform QAE duties for specific contracts. The FAC must ensure each QAE completes all applicable training.

4.4. Quality Assurance Evaluator Program Coordinator Training. This training is designed to provide in-depth knowledge of surveillance procedures and how to instruct the FACs, QAEs, and Contract Administrators. AETC conducts this resident course through formal classroom instruction. QAEPCs must complete this training before teaching QAEs, FACs, and Contract Administrators. The alternate QAEPC should also complete this training in order to provide adequate backup when the primary QAEPC is not available.

GEORGE K. MUELLNER, Lt General, USAF
Principal Deputy Assistant Secretary of the
Air Force for Acquisition

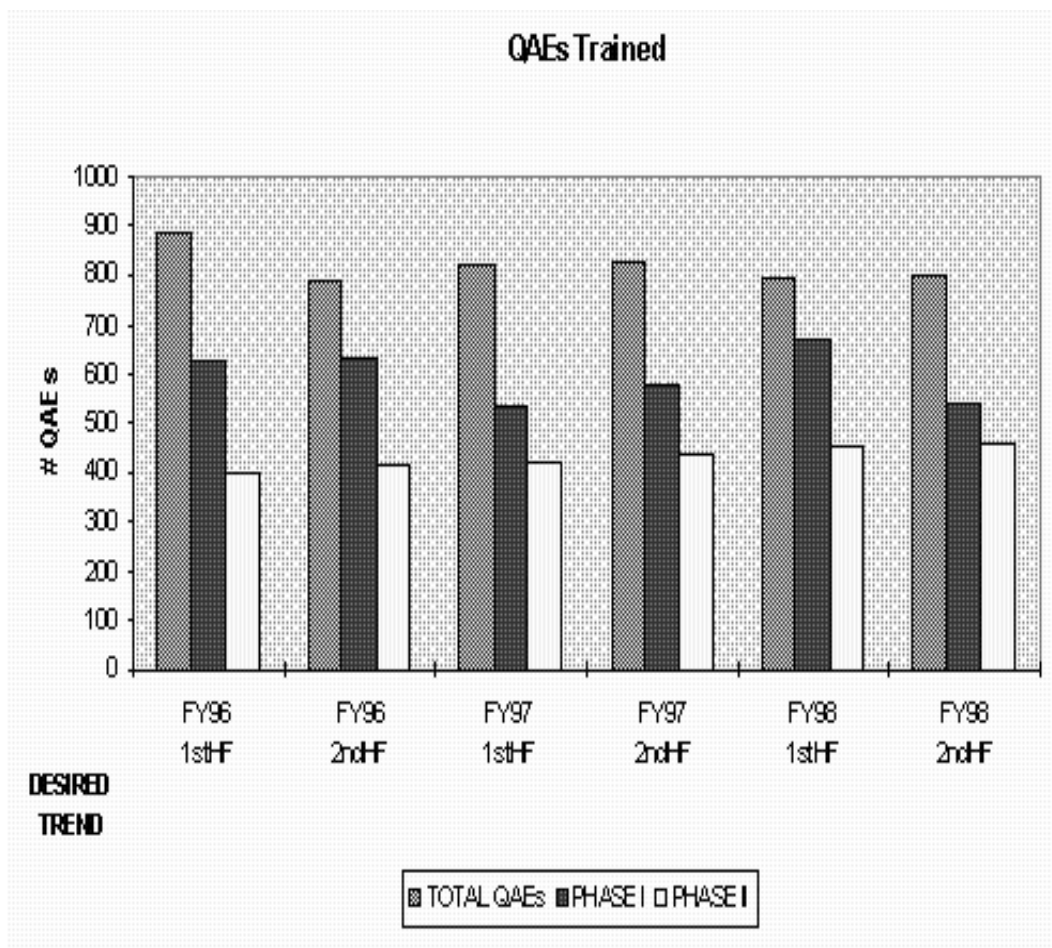
Attachment 1

METRICS

A1.1. Measuring Quality and Effectiveness. The metrics below measure the quality and effectiveness of the Air Force QAE Program and ensure Air Force-wide policy compliance. These metrics provide a standardized data collection method to be used by base and MAJCOM/FOA/DRU points of contact to report information to SAF/AQCO semi-annually. They provide SAF/AQCO with trend information to continually improve and assess the overall QAE Program. In addition, the QAEPC should provide these metrics at least semi-annually to their Wing or Installation Commander.

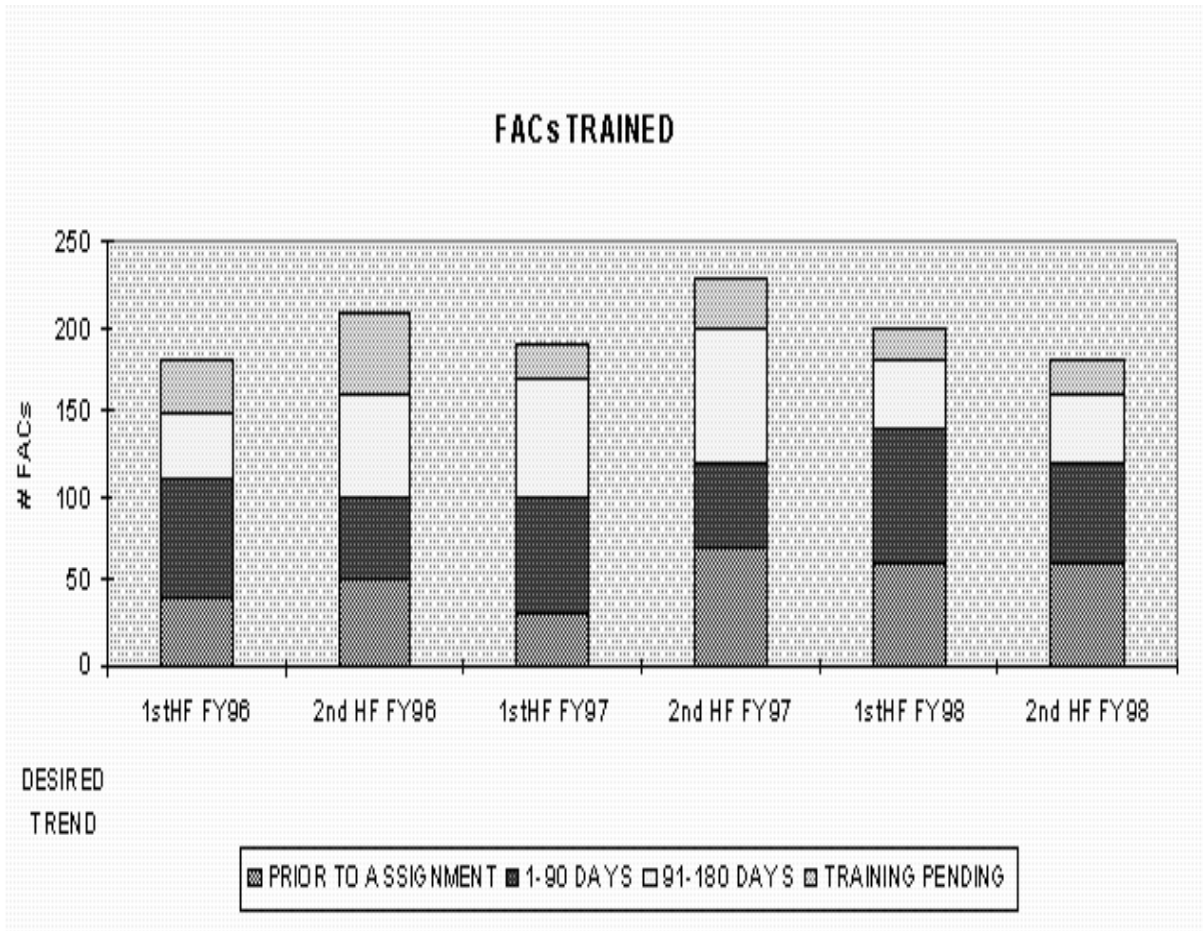
A1.1.1. QAEs Trained. Measures the cumulative number of current primary and alternate QAEs who have received Phase I and II training. The first column shows the total number of current QAEs assigned. The second column shows the cumulative number of current QAEs who have received Phase I training, and the third column shows the cumulative number of current QAEs who have received Phase II training. *Note: The "HF" on the graph indicates the first or second "half" of the fiscal year reflected.*

Figure A1.1. Sample Metric of QAEs Trained.



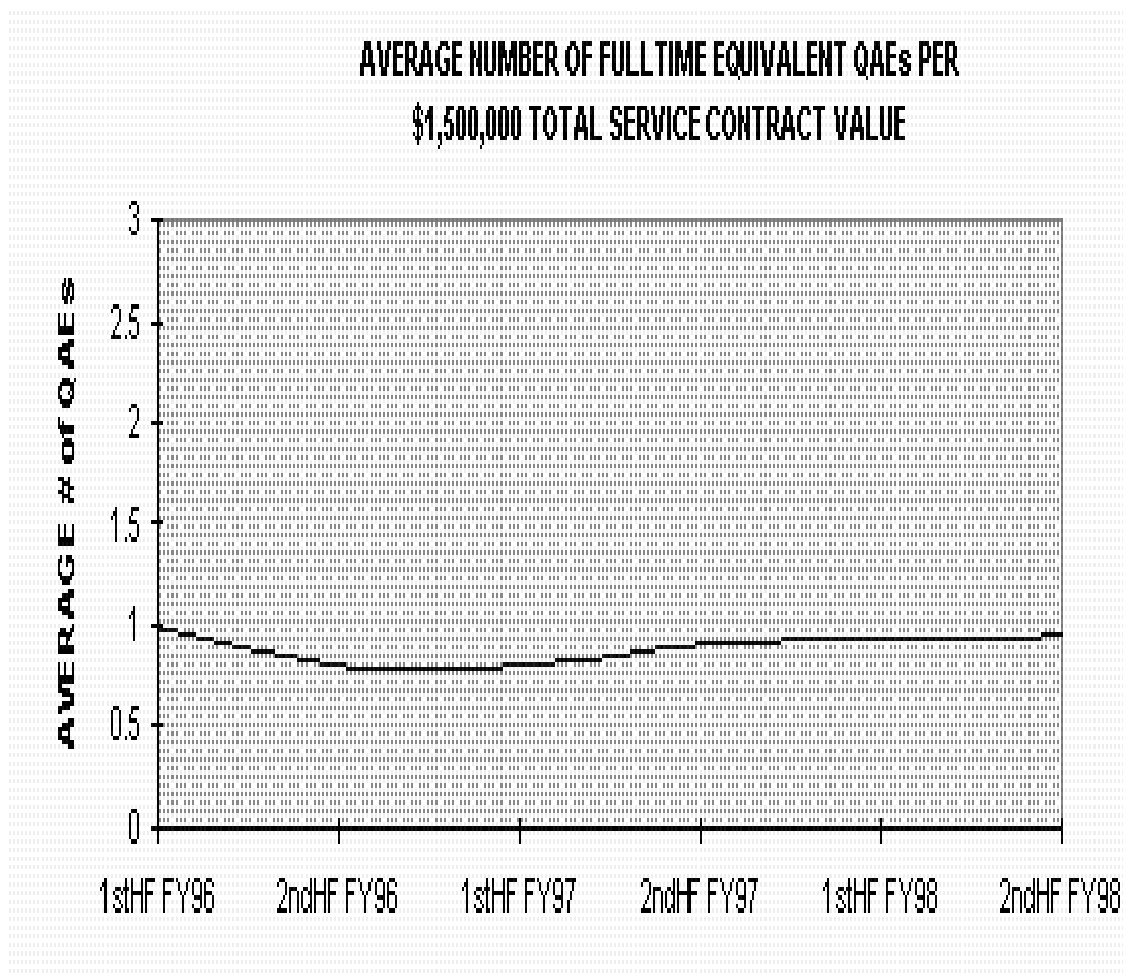
A1.2. FACs Trained. Measures the number of FACs who have received training and the timeliness of the training. Each column shows the total number of currently assigned FACs who have received training. The breakout within each column shows the timeliness of their training; whether prior to assignment, 1 to 90 days after assignment, 91-to 180 days after assignment, or if the training is still pending.

Figure A1.2. Sample Metric of FACs Trained.



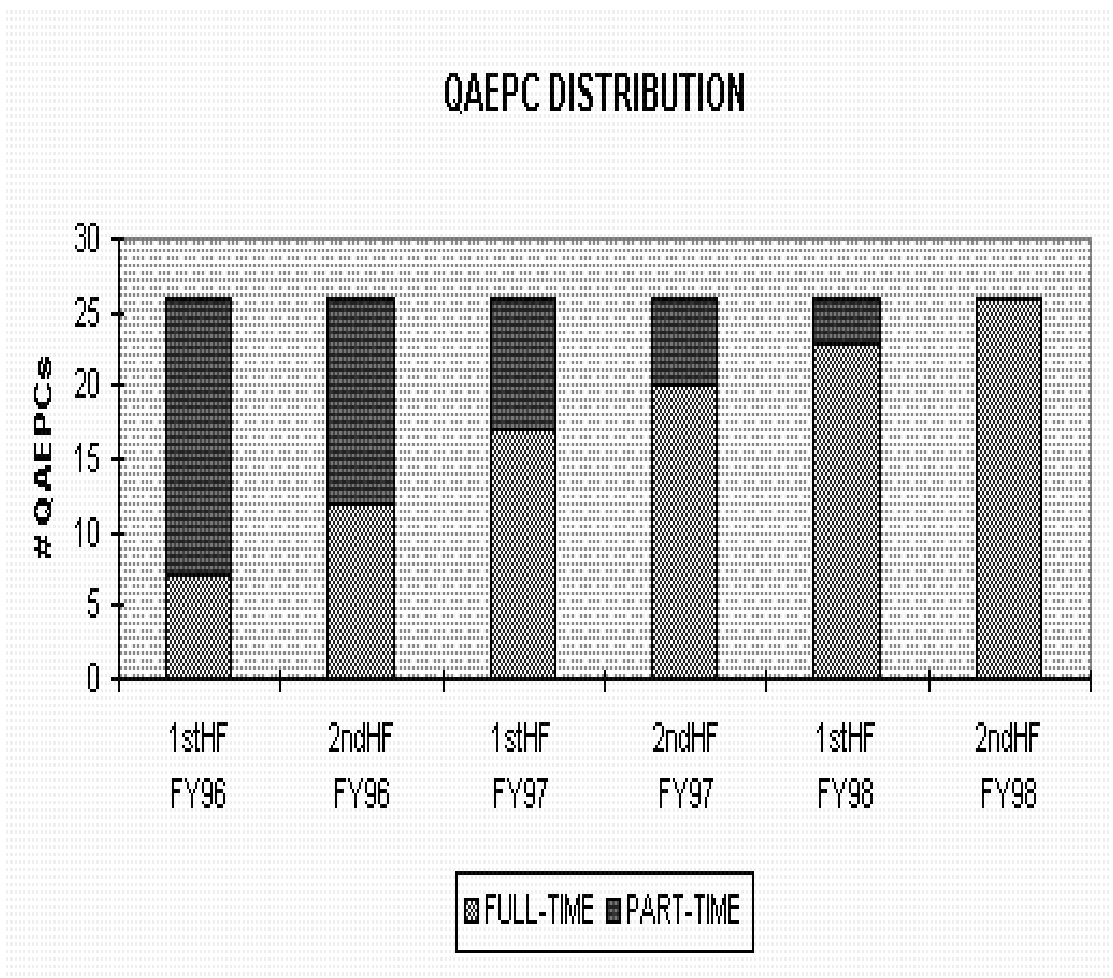
A1.3. Average Number of Full-time Equivalent QAEs per \$1,500,000 of Total Service Contract Value. Measures the average number of QAEs per \$1,500,000 of total service contract value. This average is determined by adding the total service contract value of all contracts with contract values less than \$15,000,000 and dividing by the total number of primary full-time equivalent QAEs servicing these contracts. The number of full-time equivalent QAEs is determined by dividing the total part-time primary QAEs by four and adding the resulting value to the total full-time primary QAEs servicing these contracts. The goal is one full-time equivalent QAE per \$1,500,000 total service contract value.

Figure A1.3. Sample Metric of Average Full-time Equivalent QAEs per \$1,500,000 Total Service Contract Value.



A1.4. QAEPC Distribution. Measures whether primary QAEPCs are being utilized on a full- or part-time basis. In each column, show the total number of primary QAEPCs assigned to the installation. The breakout within each column shows the distribution of full-time vs. part-time primary QAEPCs. The goal is to have all primary QAEPC positions filled on a full-time basis.

Figure A1.4. Sample Metric of QAEPC Distribution.



A1.5. Number of Contract Discrepancy Reports with Dollars Deducted. Measures the QAEs’ performance as well as the contractors’ performance by showing the total number of contract discrepancy reports with dollars deducted from the contracts. Each column shows the total dollars deducted for each six month period of time. Number of contract discrepancy reports is listed below the period of time they were issued. The goal is to have an effective QAE Program that ensures effective contractor performance.

Figure A1.5. Sample Metric of Number of Contract Discrepancy Reports With Dollars Deducted.

